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E.O. 12958: N/A TAGS: <u>ETTC KOMC</u> <u>SF</u>

SUBJECT: BLUE LANTERN LEVEL 3: POST SHIPMENT END USE CHECK

REF: STATE 71177

11. (U) In response to Reftel, Cape Town Poloff spoke to Mr. Tertius LeRoux, prior owner of Digital Image Warehouse and current owner of Safari and Outdoor, which he started in July 2008. Mr. LeRoux sold Digital Image Warehouse in September 2008. While still the owner of $\bar{\text{Digital Image Warehouse Mr. LeRoux received the bullets and brass}$ casings mentioned in reftel under Licenses 050094533 and 050091122. LeRoux told Poloff Digital Image Warehouse was properly licensed by the SAG to import and sell defense articles in South Africa. When LeRoux sold Digital Image Warehouse, he took the bullets and casings to his new business, Safari and Outdoor, to be used in sport shooting and target shooting. His customers are mainly located in Cape Town and the surrounding areas and he also ships throughout the country. He imported from 22 caliber to 458 caliber bullets on the above referenced licenses. His annual sales of U.S. origin defense articles are approximately 10 million rand (current rate of exchange is 8 rand to 1 USD). Mr. LeRoux told Poloff he is familiar with the restrictions on re-transfer or re-export of U.S. origin defense items. Note. On July 25, Mr. Michael Rufe from the Bureau of Industrial Security of the Department of Commerce visited Safari and Outdoor to establish its bona fides. End note.

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